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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

SECURITIES AND EXCHANGE COMMISSION,

Case No. 10-CV-05412 WHA

Plaintiff,

V.

ARNOLD A. MCCLELLAN and
ANNABEL MCCLELLAN

FINAL JUDGMENT AS TO
DEFENDANT ANNABEL
MCCLELLAN

Defendants.

21 The Securities and Exchange Commission having filed a Complaint and Defendant
22 Annabel McClellan having entered a general appearance; consented to the Court's jurisdiction
23 over Defendant and the subject matter of this action; consented to entry of this Final Judgment
24 without admitting or denying the allegations of the Complaint (except as to jurisdiction); waived
25 findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment:

I.

27 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant Annabel
28 McClellan and Defendant's agents, servants, employees, attorneys, and all persons in active

concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
- (c) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

II.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant shall pay a civil penalty in the amount of \$1,000,000 pursuant to Section 21A of the Exchange Act [15 U.S.C. § 78u-1]. Defendant shall make this payment pursuant to the terms of the payment schedule set forth in paragraph III below. The civil penalty amount shall be reduced by any criminal fine paid by the Defendant in the criminal action *United States v. Annabel McClellan*, Case No. CR-10-0860 WHA (N.D. Cal., filed Nov. 24, 2010). Defendant shall make payments by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission. The payment shall be delivered or mailed to the Office of Financial Management, Securities and Exchange Commission, 100 F Street, NE, Stop 6042, Washington DC 20549, and shall be accompanied by a letter identifying Annabel McClellan as a defendant in this action; setting forth the title and civil action number of this action and the name of this Court; and specifying that payment is made pursuant to this Final Judgment. Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28 USC § 1961. The Commission shall remit the funds paid pursuant to this paragraph to the United States Treasury.

1 III.
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3 Defendant Annabel McClellan shall pay \$1,000,000 in three installments according to
4 the following schedule: (1) \$250,000, paid within 10 days of entry of this Final Judgment;
5 (2) \$250,000, paid within 180 days of entry of this Final Judgment; and (3) \$500,000, paid
6 within 360 days of entry of this Final Judgment. The civil penalty amount shall be reduced by
7 the amount of any criminal fine paid by the Defendant in the criminal action U.S. v. Annabel
8 McClellan, Case No. 10- CR-0860 WHA (N.D. Cal., filed Nov. 24, 2010), and any such
reduction shall be applied to any installment due after payment of the criminal fine.

9 If Annabel McClellan fails to make any payment by the date agreed or in the amount
10 agreed according to the schedule set forth above, all outstanding payments under this Final
11 Judgment, including post-judgment interest, minus any payments made, shall become due and
12 payable immediately without further application to the Court.

13 IV.
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15 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is
incorporated herein with the same force and effect as if fully set forth herein, and that Defendant
16 shall comply with all of the undertakings and agreements set forth therein.

17 V.
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19 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain
jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

20 VI.
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22 There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil
Procedure, the Clerk is ordered to enter this Final Judgment forthwith and without further notice.

23 The Court will retain jurisdiction for three years.

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25 Dated: October 24, 2011.
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William Alsup
UNITED STATES DISTRICT JUDGE

1 Approved as to form:

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3 Nanci Clarence
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